

This document is important and requires your immediate attention. If you are in any doubt as to how to deal with it you should immediately consult your stockbroker, bank manager, lawyer, accountant or other professional adviser. If you have sold all your Shares of Peel-Elder Limited you should at once send this document and the other enclosures to the bank or stockbroker through whom the sale was effected, for transmission to the purchaser.

SL
HAMBRO CANADA LIMITED

Offer

To the holders of the shares without par value

of

PEEL-ELDER LIMITED

Price: \$13.00 (Canadian Funds) per Share

or

\$13.25 (U.S. Funds) per Share

The Offer is open for acceptance until 5:00 p.m. (Toronto Time) on Tuesday, July 23, 1974, unless extended.

The Offer will not be binding on Hambro Canada Limited unless acceptances are received with respect to at least 650,000 shares without par value of Peel-Elder Limited on or before July 18, 1974. This condition may be waived by Hambro Canada Limited.

The formal Offer commences on page 2.

A LETTER OF TRANSMITTAL IS ALSO ENCLOSED

Any shareholder wishing to accept the Offer should (1) request his stockbroker, dealer, bank, trust company or nominee to effect the transaction for him or (2) complete the Letter of Transmittal, sign it in the place required, have his signature guaranteed, and forward the Letter of Transmittal with his share certificate(s) and any other required documents to the Depositary. Shareholders having Shares registered in the name of a broker, dealer, bank, trust company or nominee are urged to communicate with their stockbroker, dealer, bank, trust company or nominee if they desire to accept the Offer.

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HAMBRO CANADA LIMITED

1104 Royal Trust Tower,
Toronto-Dominion Centre,
Toronto, Canada
M5K 1H6

June 20, 1974.

TO THE HOLDERS OF SHARES WITHOUT PAR VALUE OF PEEL-ELDER LIMITED.

Hambro Canada Limited ("Hambro") hereby offers to purchase from you and other holders of the shares without par value (the "Shares") of Peel-Elder Limited ("Peel-Elder"), as now constituted, all issued and outstanding Shares, other than the Shares already owned by it, at a price of \$13.00 (Canadian funds*) per Share or, at the option of the holder, \$13.25 (U.S. funds) per Share, on the terms and subject to the conditions set forth below and in the Letter of Transmittal accompanying this Offer.

1. **This Offer will expire at 5:00 p.m. o'clock, Toronto Time, on Tuesday, July 23, 1974,** (which date or any date to which this Offer may be extended is hereinafter referred to as the "Expiry Date"), unless extended as hereinafter provided.

Acceptance of this Offer may be made only by depositing on or before the Expiry Date with Canada Permanent Trust Company (the "Depository") at its office at Toronto, Canada, (the address of which is set forth in clause 3 below), the appropriate certificate or certificates representing the Shares in respect of which this Offer is accepted, accompanied by a duly completed and signed Letter of Transmittal in the form enclosed. Such certificate(s), if registered in the name of the accepting shareholder, need not be endorsed but the Letter of Transmittal must be executed and the execution thereof guaranteed, all as specified in the Letter of Transmittal. Shareholders who wish to forward their certificate(s) by mail are advised to use registered mail for their own protection.

This Offer may be accepted by any shareholder until but not after 5:00 p.m., Toronto Time, on the Expiry Date, at the said place of deposit. Hambro reserves the right to extend the time for acceptance of this Offer at any time by notice to the Depository prior to July 23, 1974, and to further extend from time to time thereafter, all in the sole discretion of Hambro.

The opinion of counsel for Hambro shall be conclusive as to all questions relating to compliance with the terms of this clause, including the propriety of execution of Letters of Transmittal.

2. **This Offer shall not become binding on Hambro unless certificates representing at least 650,000 Shares as constituted on the date of this Offer (which shares, together with the 1,636,978 Shares already owned by Hambro, are equivalent to 69.65% of the issued and outstanding Shares of Peel-Elder) are deposited on or before July 18, 1974, in the manner herein provided and are not withdrawn pursuant to the provisions of clause 5 below.**

In addition, Hambro shall have the right to withdraw this Offer if, subsequent to the date of this Offer, the board of directors of Peel-Elder takes any action which materially changes the undertakings, assets or capital of Peel-Elder.

The foregoing conditions are inserted for the exclusive benefit of Hambro and may be waived in whole or in part by Hambro at any time; provided, however, that if Hambro takes up any Shares under this Offer it will take up all Shares represented by certificates deposited within the time and in the manner hereinbefore provided.

3. The completed Letter of Transmittal and certificate(s) evidencing your Shares should be sent to the Depository addressed as follows:

Canada Permanent Trust Company,
20 Eglinton Avenue West,
Toronto, Canada.
M4R 2E2

*All references to dollars herein are to Canadian Dollars unless otherwise noted.

4. (a) Subject to subclause 4 (b), if Peel-Elder should declare any dividend or any distribution (whether in cash, securities or other property) on, or issue any rights with respect to, the Shares, which are payable or distributable to shareholders of record on a date occurring prior to the transfer into the name of Hambro on the stock transfer records of Peel-Elder of the Shares purchased hereunder, then (a) the purchase price per Share payable by Hambro will be reduced by the amount of any cash dividend, and (b) the gross amount of any such other dividend or distribution or rights shall be required to be remitted by the tendering shareholder to the Depositary for the account of Hambro and, pending such remittance or appropriate assurance thereof, Hambro may withhold the purchase price or deduct from the purchase price the amount or value of such other dividend or distribution or rights as to any Shares purchased by Hambro but not transferred into the name of Hambro by the record date therefor. If Peel-Elder should, during the currency of this Offer, subdivide its Shares or consolidate or otherwise change its Shares, appropriate adjustments in the purchase price and the fees payable hereunder will be made.

(b) Subclause 4 (a) shall not apply to the dividend of 6¢ per Share payable June 28, 1974, to shareholders of Peel-Elder of record on May 31, 1974, and accordingly such dividend will not be deducted from the purchase price per Share.

5. Any Shares deposited with the Depositary pursuant to this Offer may be withdrawn by or on behalf of the holder thereof at any time prior to June 28, 1974. To be effective, notice of withdrawal must be received by the Depositary prior to said date. Any notice of withdrawal must specify the name of the person having deposited Shares to be withdrawn on particular Letters of Transmittal, the number of Shares to be withdrawn and the name of the shareholder and serial numbers shown on the particular share certificates evidencing Shares to be withdrawn. Shares may also be withdrawn, if not previously purchased by Hambro, at any time after August 19, 1974, in accordance with the aforementioned procedure. Except as stated in this clause, acceptances of this Offer by deposit of Shares with the Depositary in accordance with this Offer are irrevocable.

6. This Offer and any contract resulting from the acceptance thereof shall be interpreted in accordance with and be governed by the laws of the Province of Ontario, Canada.

HAMBRO CANADA LIMITED

by E. R. E. CARTER
President and Chief Executive Officer

and P. C. FINLAY
Secretary

HAMBRO CANADA LIMITED

P.O. BOX 174, ROYAL TRUST TOWER
TORONTO-DOMINION CENTRE
TORONTO, ONTARIO
M5K 1H6

TELEPHONE 863-0014
TELEX 02-29309
TELEGRAMS
HAMBROCAN. TORONTO

June 20, 1974.

TO THE HOLDERS OF SHARES WITHOUT PAR VALUE OF PEEL-ELDER LIMITED ("Peel-Elder")

At a meeting of the Board of Directors of Hambro, it was decided to make an Offer to the Shareholders of Peel-Elder to purchase all the issued and outstanding shares of Peel-Elder, other than the shares of Peel-Elder now owned by Hambro. In this connection we are pleased to furnish you with the following documentation:

1. an Offer dated June 20, 1974, by Hambro to purchase all the issued and outstanding shares without par value (the "Shares") of Peel-Elder not already owned by Hambro;
2. a Take-Over Bid Circular from Hambro providing detailed information with respect to the proposed transaction;
3. a Letter of Transmittal to accompany your share certificate(s);
4. a return envelope.

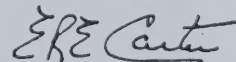
Your attention is drawn to clause 2 of the Offer which states, in part, that **the Offer shall not become binding on Hambro unless certificates representing at least 650,000 Shares are deposited in acceptance of the Offer on or before July 18, 1974**, and are not withdrawn pursuant to the provisions of clause 5 of the Offer.

If Hambro becomes bound or elects to take up Shares deposited under the Offer, accepting shareholders will receive in payment for each Share sold by them, at their option, either \$13.00 per Share in Canadian funds or \$13.25 per Share in United States funds.

Please read the enclosed documents carefully as they require you to make a decision within the time limit specified.

Yours truly,

HAMBRO CANADA LIMITED



President and Chief Executive Officer

IF YOU ACCEPT THIS OFFER, YOU SHOULD COMPLETE THE LETTER OF TRANSMITTAL AND FORWARD IT WITH YOUR SHARE CERTIFICATE(S) IN ACCORDANCE WITH THE INSTRUCTIONS THEREIN.



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TAKE-OVER BID CIRCULAR of HAMBRO CANADA LIMITED

Forming part of the offer dated June 20, 1974, (the "Offer") by Hambro Canada Limited ("Hambro") to purchase all of the issued and outstanding shares without par value (the "Shares") of Peel-Elder Limited ("Peel-Elder") not already owned by Hambro.

SECURITIES OF PEEL-ELDER

There are now 3,283,374 Shares issued and outstanding. Hambro now beneficially owns, directly or indirectly, 1,636,978 Shares or approximately 49.86% of the issued and outstanding Shares. The numbers of Shares beneficially owned, directly or indirectly, by the directors and senior officers of Hambro are set forth in the table which appears herein under the heading "Other Facts". Apart from these Shares, no securities of Peel-Elder are beneficially owned, directly or indirectly, by Hambro, any associate of Hambro, any director or senior officer of Hambro or their respective associates or, to the knowledge of the directors and senior officers of Hambro, by any person or company who beneficially owns, directly or indirectly, equity shares of Hambro carrying more than 10% of the voting rights attached to all equity shares of Hambro now outstanding.

During the six-month period preceding the date of the Offer Hambro purchased Shares in the market as follows:

<u>Date</u>	<u>Number of Shares Purchased</u>	<u>Purchase Price Per Share</u>
<u>1973</u>		
December 3	300	\$ 9.50*
3	300	9.50 (U.S.)
5	500	9.25 (U.S.)
5	500	9.00 (U.S.)
7	300	9.25 (U.S.)
	200	9.50 (U.S.)
10	500	9.25 (U.S.)
11	300	9.25 (U.S.)
12	700	9.00 (U.S.)
	200	9.00
	800	8.75 (U.S.)
	300	8.75
17	200	9.00 (U.S.)
	700	8.50 (U.S.)
	200	8.75
21	200	8.50
	100	8.75
<u>1974</u>		
January 3	200	10.00 (U.S.)
8	200	9.875 (U.S.)
9	200	9.875 (U.S.)
10	100	10.375 (U.S.)
	200	10.25 (U.S.)
11	300	10.25
April 29	100	10.125
30	200	10.125
May 1	500	10.00
9	1,000	10.00
10	100	10.00
15	500	9.75
16	200	10.00
21	400	10.00
22	300	10.00
23	1,300	9.75
24	400	10.00
29	200	10.25
30	900	10.25
June 3	900	10.75

*All references to dollars herein are to Canadian Dollars unless otherwise noted.

Apart from these transactions, so far as is known to the directors and senior officers of Hambro, no Shares were traded by any of the persons or companies referred to above during the six-month period preceding the date of the Offer.

The management of Hambro understands that there are at present options outstanding on 82,400 Shares at an exercise price of \$6.25 per share under the 1970 Employees Stock Option Plan of Peel-Elder. Of these an option on 30,000 Shares is held by K. A. Roberts, a director and senior officer of both Hambro and Peel-Elder.

CONDITIONS

One of the conditions of the Offer is that the Offer will not become binding on Hambro unless certificates representing at least 650,000 Shares are deposited in accordance with the terms of the Offer on or before July 18, 1974, and have not been withdrawn.

PURPOSE OF OFFER

As indicated above Hambro now owns approximately 49.86% of the issued and outstanding Shares. The purpose of the Offer is to enable Hambro to substantially increase its holdings in Peel-Elder.

If, as a result of the Offer, Hambro becomes the owner of a substantial additional number of Shares it is likely that Hambro will consider integrating the operations of Peel-Elder and/or its subsidiaries with those of Hambro and/or its other subsidiaries in Canada by amalgamation or other merger of interests. The steps to be taken will depend on the degree of success of the Offer, the then market conditions, the prospects of making an agreement suitable to Peel-Elder and Hambro and upon tax and other business considerations, which cannot be determined with certainty at this time.

METHOD AND TIME OF PAYMENT OF CONSIDERATION FOR THE SHARES

Cheques in payment for Shares taken up pursuant to the Offer, payable in Canadian funds if the accepting shareholder designates acceptance of the Offer at a sale price of \$13.00 (Canadian funds) or in U.S. funds if the accepting shareholder designates acceptance of the Offer at a sale price of \$13.25 (U.S. funds) (such designation to be made in the space provided in the Letter of Transmittal), will be forwarded by first-class mail to shareholders who have accepted the Offer at the respective addresses of such shareholders as they appear on the Letter of Transmittal or, if no address is given, at their respective addresses as they appear on the books of Peel-Elder kept by Canada Trust Company. Such payment will be made no later than at the expiration of 35 days from the making of the Offer in respect of all Shares deposited at that time and, in the event the time for acceptance of this Offer is extended by Hambro beyond such 35 day period, within four business days after the deposit of Shares deposited after the expiry of such 35 day period in accordance with the Offer as so extended. Payment will be made by Canada Permanent Trust Company (the "Depository") on behalf of Hambro.

To pay for its purchase of Shares and related expenses, to the extent of \$22 million, Hambro has obtained a commitment, for a fee of .01%, pursuant to which it may borrow an aggregate of up to that amount from a Canadian chartered bank under a demand loan bearing interest at the rate of 120% of that bank's New York prime lending rate in effect from time to time; such loan may be prepaid at any time on 15 days' notice. The loan will be secured on the general credit of Hambro. To the extent that additional funds may be required, they will be provided from the working capital of Hambro.

RIGHT OF WITHDRAWAL

Any Shares deposited with the Depository pursuant to the Offer may be withdrawn by or on behalf of the holder thereof at any time prior to June 28, 1974. To be effective, notice of withdrawal must be received by the Depository prior to said date. Any notice of withdrawal must specify the name of the person having deposited Shares to be withdrawn on particular Letters of Transmittal, the number of Shares to be withdrawn and the name of the shareholder and serial numbers shown on the particular share certificates evidencing Shares to be withdrawn. Shares may also be withdrawn, if not previously purchased by Hambro, at any time after August 19, 1974, in accordance with the aforementioned procedure. Except as stated in this paragraph, acceptances of the Offer by deposit of Shares with the Depository in accordance with the Offer are irrevocable.

CERTAIN INFORMATION CONCERNING PEEL-ELDER

The Shares are listed on the Toronto, Montreal, American and Pacific Coast Stock Exchanges.

Canadian Stock Exchanges

The following is a summary showing the volume of trading and price range of the Shares on the Toronto and Montreal Stock Exchanges during the periods indicated.

<u>Period</u>	<u>Volume</u>	<u>High</u>	<u>Low</u>
<u>1973</u>			
December	4,000 Shares	\$ 9½	\$ 8½
<u>1974</u>			
January	9,300	12¾	9¾
February	16,000	14	10½
March	6,900	14¼	11½
April	4,400	12½	10½
May	8,886	10½	9¾

United States Stock Exchanges

The following is a summary showing the volume of trading and price range (U.S. funds) of the Shares on the American and Pacific Coast Stock Exchanges during the periods indicated:

<u>Period</u>	<u>Volume</u>	<u>High</u>	<u>Low</u>
<u>1973</u>			
December	14,500 Shares	\$ 9⅝	\$ 8½
<u>1974</u>			
January	17,400	12¾	9¾
February	18,300	14¾	10½
March	19,400	14⅝	12½
April	7,900	12¾	10¾
May	9,100	11¼	10

The closing price of the Shares on the last day of trading prior to the announcement, on June 11, 1974, by Hambro of its decision to make the Offer was \$11¼ on The Toronto Stock Exchange and \$11⅝ (U.S. funds) on the American Stock Exchange.

Information concerning Hambro's beneficial ownership of and recent trading in the Shares is given under the heading "Securities of Peel-Elder".

Peel-Elder is subject to the informational requirements of The Business Corporations Act (Ontario) and the Securities Exchange Act of 1934 (U.S.) and in accordance therewith files reports and other information with the Ontario Securities Commission ("OSC") and the Securities and Exchange Commission ("SEC") relating to its business, financial statements and other matters. Information, as of particular dates, concerning Peel-Elder's directors and officers, their remuneration, options granted to them, the principal holders of Peel-Elder's securities and any material interest of such persons in transactions with Peel-Elder is disclosed in proxy statements and information circulars distributed to Peel-Elder shareholders and filed with the OSC and the SEC. Such reports, proxy statements and information circulars and other information may be inspected at the office of the OSC at 555 Yonge Street, Toronto, Canada, M4Y 1Y7, and of the SEC at Room 6101, 1100 L Street, N.W., Washington, D.C., 20549 and copies may be obtained upon payment of the customary charges of the OSC and SEC. Such material may also be inspected at the libraries of The Toronto Stock Exchange, 4th Floor, Commerce Court East, Toronto, Canada, M5L 1E8, and of the American Stock Exchange, 6th Floor, 86 Trinity Place, New York, New York, 10006.

If the Offer is substantially successful, questions as to the continuing listing of the Shares on the aforementioned stock exchanges could be presented.

Peel-Elder's latest annual report on Form 10K filed with the SEC for the fiscal year ended December 31, 1973, indicated that for such fiscal year Peel-Elder's funds provided from continuing operations were \$5,119,502 (\$1.56 per Share) and net income was \$2,483,162 (76¢ per Share). In a letter to shareholders dated May 6, 1974, filed with the OSC and the SEC, Peel-Elder furnished its shareholders with an unaudited Consolidated Statement of Operations and an unaudited Consolidated Statement of Source and Use of Funds for the three months ended March 31, 1974, and other information.

ARRANGEMENTS OR AGREEMENTS WITH DIRECTORS AND SENIOR OFFICERS OF PEEL-ELDER

The following directors and senior officers of Peel-Elder have stated their intention to accept the Offer with respect to the shares of Peel-Elder owned by them:— A. H. Honsberger and K. A. Roberts (the shareholdings of the remaining Peel-Elder directors and senior officers are nominal).

By Agreement dated May 8, 1974, between Hambro and Peel-Elder, Hambro agreed to provide advisory services to the management of Peel-Elder for a fee of \$100,000 per annum.

Hambro does not intend at this time to change the management of Peel-Elder.

No arrangement or agreement has been made or is proposed to be made between Hambro and any of the directors or senior officers of Peel-Elder and no payment or other benefit is proposed to be made or given to such persons by way of compensation for loss of office or as to their remaining in or retiring from office.

MATERIAL CHANGES IN PEEL-ELDER

Apart from the Agreement dated May 8, 1974, referred to under the heading "Arrangements or Agreements with Directors and Senior Officers of Peel-Elder", Hambro does not have any information that indicates any material change in the financial position or prospects of Peel-Elder since December 31, 1973, the date of the last published audited annual financial statement of Peel-Elder.

CERTAIN INFORMATION CONCERNING HAMBRO

Hambro is a corporation incorporated under the laws of Ontario, Canada, having its head and principal office at Suite 1104, Royal Trust Tower, Toronto-Dominion Centre, Toronto, Canada, M5K 1H6. Hambro is primarily engaged in providing management service and corporate financial advice. Through subsidiary and associated companies Hambro has interests in a variety of Canadian industries including real estate, financial services and food merchandising and holds a diversified trading and investment portfolio of equity positions in a number of corporations. Hambro has stated its intention to broaden its activities not only in Canada but also in the United States in asset management and corporate financial advice. The names, business addresses and principal occupations of the officers and directors of Hambro are set forth in Schedule A hereto.

Approximately 47.8% of the issued and outstanding shares of Hambro is owned by Hambros Limited, a London, England, based international merchant banker with consolidated assets in excess of \$2 billion. The securities of Hambros Limited are listed on the London Stock Exchange and its principal office is located at 41 Bishopsgate, London, EC2P 2AA, England. The names, business addresses and principal occupations of the officers and directors of Hambros Limited are set forth in Schedule B hereto.

Hambro's Annual Report for its fiscal year ended December 31, 1973, and Interim Report for the three months ended March 31, 1974, have been filed with the OSC and have also been filed with the SEC as exhibits to the statement on Schedule 13D filed by Hambro with the SEC in connection with the Offer. Such Reports may be inspected during ordinary business hours at the offices of the OSC and the SEC referred to above and copies may be obtained upon payment of the customary fees of the OSC and the SEC.

COSTS OF SOLICITATION AND ACQUISITION

Hambro will pay to any broker or dealer who is a member of any stock exchange in Canada, or a member of the Investment Dealers Association of Canada, or a member of any registered national securities exchange in the United States, or a member of the National Association of Securities Dealers, Inc. ("NASD"), or who agrees to conform to the rules of fair practice of NASD in making solicitations of acceptances of the Offer, or to any commercial bank or trust company in the United States, whose name appears in the appropriate space on the Letter of Transmittal ("Soliciting Dealer"), duly filled out with the name and address of such Soliciting Dealer, the sum of 25¢ (Canadian funds) for each Share so tendered and purchased by Hambro, which is registered in the name of a Canadian or other non-United States shareholder, or 30¢ (U.S. funds) for each Share so tendered and purchased by Hambro, registered in the name of a United States shareholder. The maximum aggregate fee payable to any such Canadian Soliciting Dealer with respect to any single accepting shareholder whose Shares are purchased by Hambro shall not exceed \$1,500 (Canadian funds) and to any United States Soliciting Dealer with respect to any single accepting shareholder whose Shares are purchased by Hambro shall not exceed \$2,000 (U.S. funds), except where such Soliciting Dealer advises the Depositary in writing that Shares tendered which are registered in a single name are beneficially owned, in whole or in part, by others, in which case such maximum shall be applied separately as to each of the beneficial owners. Hambro reserves the right to require any Soliciting Dealer to supply evidence of beneficial ownership satisfactory to it. No such fees will be paid either in Canada or in the United States, in respect of

Shares which are not purchased by Hambro nor in respect of acceptances of the Offer by directors, officers or employees of Peel-Elder. No Soliciting Dealer shall be the agent of Hambro or the Depositary for purposes of the Offer. The Depositary will receive reasonable and customary compensation for its services hereunder and reimbursement for its reasonable out-of-pocket expenses.

OTHER FACTS

The Offer is made at a price of \$13.00 (Canadian funds) per Share or \$13.25 (U.S. funds) per Share, either of which may be accepted by any shareholder of Peel-Elder, regardless of his place of residence. However all Shares sold to Hambro pursuant to the Offer by any one shareholder of Peel-Elder must be sold at either the Canadian funds or the U.S. funds price.

Certain of the directors and senior officers of Hambro are also directors and senior officers of Peel-Elder. The following table discloses the present positions of such persons with each of Hambro and Peel-Elder and the number of Shares held by each.

<u>Name</u>	<u>Position with Hambro</u>	<u>Position with Peel-Elder</u>	<u>Number of Shares beneficially owned, directly or indirectly</u>
E. R. Erskine Carter	President and Chief Executive Officer and Director	Deputy Chairman of the Board and Director	2
P. C. Finlay	Secretary and Director	Secretary-Treasurer and Director	150
J. W. Lay	Assistant Secretary	Assistant Secretary	nil
K. A. Roberts	Deputy Chairman of the Board and Director	Chairman of the Board and Chief Executive Officer and Director	12,000
H. F. Teney	Vice-President (Corporate Affairs) and Director	Director	2
J. B. L. Thomas	Vice-President (Finance), Treasurer and Director	Director	2
F. van de Water	Vice-President and Group Controller	President and Director	1

CANADIAN TAX CONSIDERATIONS

Acceptance of the Offer by the holders of Shares will, for Canadian income tax purposes, give rise to a disposition of such Shares. The proceeds of disposition will be the aggregate price of the Shares that is received. Canadian resident shareholders of Peel-Elder who accept the Offer may therefore incur liability for Canadian income or capital gains tax as a result of their accepting the Offer.

Shareholders of Peel-Elder who are not resident in Canada and who do not, alone or with persons with whom they do not deal at arm's length, own 25% or more of the shares of any class of shares of Peel-Elder will not be subject to Canadian income tax on any capital gain which they may realize upon accepting the Offer.

Shareholders of Peel-Elder are encouraged to consult their tax advisers to determine the tax consequences to them.

UNITED STATES TAX CONSIDERATIONS

Shareholders of Peel-Elder subject to U.S. Federal income tax on these transactions will recognize gain or loss, for Federal income tax purposes, on the sale of Shares to Hambro pursuant to the Offer measured by the difference between the amount realized by such shareholder as a result of such sale and the tax basis of such shareholder for the shares sold pursuant to the Offer. Such gain or loss will ordinarily be capital gain or loss to a shareholder if the Shares sold pursuant to the Offer are capital assets in the hands of

such shareholder. Shareholders of Peel-Elder are encouraged to consult their tax advisers to determine the tax consequences to them.

MISCELLANEOUS

The Offer is not being made to, nor will Hambro accept Shares from, holders in any jurisdiction in which the Offer or the acceptance thereof would not be in compliance with the securities laws of such jurisdiction. In any jurisdiction the securities laws of which require the Offer to be made by a licensed dealer, the Offer is made on behalf of Hambro by brokers or dealers who may be authorized to make the Offer on behalf of Hambro in jurisdictions in which such brokers or dealers are so licensed. No person has been authorized to give any information or make any representations on behalf of Hambro not contained herein and, if given or made, such information or representations may not be relied upon as having been authorized.

Pursuant to Rule 14d-1 of the General Rules and Regulations under the Securities Exchange Act of 1934 (United States), as amended, Hambro has filed with the SEC a statement on Schedule 13D furnishing certain additional information with respect to the Offer.

Requests for additional copies of the Offer and of the Letter of Transmittal may be directed to the Depositary.

RIGHT OF RESCISSION

The Securities Act (Ontario), The Securities Act (Manitoba) and The Securities Act (Alberta) provide in effect that any person who accepts the Offer has a right to rescind the contract resulting from such acceptance if this circular, as of the date of receipt by such person, contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement contained herein not misleading in the light of the circumstances in which it was made, but no action to enforce this right may be commenced after the expiration of 90 days from the later of the date of receipt of this circular or any amended circular or the date of such contract. Reference is made to Section 100a of The Securities Act (Ontario), Section 99.1 of The Securities Act (Manitoba) and Section 99.1 of The Securities Act (Alberta) for the complete text of the provisions under which the foregoing rights are conferred.

HAMBRO DIRECTORS' APPROVAL

This Take-over Bid Circular was presented to a meeting of the Board of Directors of Hambro held on June 17, 1974, and the contents hereof have been approved and its delivery authorized by the directors of Hambro.

June 20, 1974.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the take-over bid made by this circular as required by Part IX of The Securities Act (Ontario), Part IX of The Securities Act (Manitoba) and Part 9 of The Securities Act (Alberta) and the respective regulations thereunder.

E. R. E. CARTER
President and Chief Executive Officer

J. B. L. THOMAS
Vice-President (Finance) and Treasurer

On behalf of the Directors

K. A. ROBERTS
Director

H. F. TENNEY
Director

SCHEDULE A

<u>Name</u>	<u>Business Address</u>	<u>Position with Hambro and (if applicable) Other Principal Occupation or Business</u>
Richard F. Allen	Suite 1104, Royal Trust Tower, Toronto-Dominion Centre, Toronto, Canada. M5K 1H6	Vice-President (Corporate Development), Hambro
E. R. Erskine Carter	Suite 1104, Royal Trust Tower, Toronto-Dominion Centre, Toronto, Canada. M5K 1H6	President and Chief Executive Officer and Director, Hambro; Director, Hambros Lim- ited
P. C. Finlay	Suite 2400, The Bank of Nova Scotia Building, 44 King Street West, Toronto, Canada. M5H 1G9	Secretary and Director, Hambro; Partner, Holden, Murdoch, Walton, Finlay, Robinson (Toronto law firm)
C. E. A. Hambro	41 Bishopsgate, London, EC2P 2AA, England	Chairman of the Board and Director, Ham- bro; Deputy Chairman and Director, Ham- bros Limited
R. N. Hambro	41 Bishopsgate, London, EC2P 2AA, England	Director, Hambro; Director, Hambros Bank Limited
P. D. Hill-Wood	41 Bishopsgate, London EC2P 2AA, England	Director, Hambro; Director, Hambros Bank Limited
J. W. Lay	Suite 1104, Royal Trust Tower, Toronto-Dominion Centre, Toronto, Canada. M5K 1H6	Assistant Secretary, Hambro
Fred H. McNeil	129 St. James Street West, Montreal, Canada. H2Y 1L6	Director, Hambro; President and Chief Operating Officer, a Canadian chartered bank
K. A. Roberts	Suite 3208, Toronto-Dominion Bank Tower, Toronto-Dominion Centre, Toronto, Canada	Deputy Chairman of the Board and Director, Hambro; Chairman of the Board and Chief Executive Officer, Peel-Elder
H. F. Teney	Suite 1104, Royal Trust Tower, Toronto-Dominion Centre, Toronto, Canada. M5K 1H6	Vice-President (Corporate Affairs) and Director, Hambro
J. B. L. Thomas	Suite 1104, Royal Trust Tower, Toronto-Dominion Centre, Toronto, Canada. M5K 1H6	Vice-President (Finance), Treasurer and Director, Hambro
John L. Toole	P.O. Box 155, Place Bonaventure, Montreal, Canada. H5A 1A8	Director, Hambro; Chairman, C.N. Invest- ment Division and Vice-President of Cana- dian National Railways
F. van de Water	170 Kennedy Road South, Brampton, Ontario, Canada. L6W 3G9	Vice-President and Group Controller, Ham- bro; President and Director, Peel-Elder
R. A. Wheeler	41 Bishopsgate, London, EC2P 2AA, England	Director, Hambro; Director, Hambros Bank Limited
P. C. Wood	55 Bishopsgate (1st Floor) London, EC2P 2AA, England	Director, Hambro; Executive, Hambros Bank Limited

SCHEDULE B

<u>Name</u>	<u>Business Address</u>	<u>Position with Hambros Limited and (if applicable) Other Principal Occupation or Business</u>
The Hon. Hugh W. Astor	41 Bishopsgate, London, EC2P 2AA, England	Director, Hambros Limited; farming
Patrick Brenan	41 Bishopsgate, London, EC2P 2AA, England	Comptroller, Hambros Limited; Director, Hambros Bank Limited
E. R. Erskine Carter	See Schedule A	See Schedule A
John M. Clay	41 Bishopsgate, London, EC2P 2AA, England	Director, Hambros Limited
Andrew J. Gibson-Watt	41 Bishopsgate, London, EC2P 2AA, England	Secretary, Hambros Limited; Director Ham- bros Bank Limited
Jocelyn O. Hambro	41 Bishopsgate, London, EC2P 2AA, England	Chairman, Hambros Limited
C. E. A. Hambro	See Schedule A	See Schedule A
Sir Ian T. Morrow	41 Bishopsgate, London, EC2P 2AA, England	Director, Hambros Limited; consulting
Henry N. Sporborg	41 Bishopsgate, London, EC2P 2AA, England	Director, Hambros Limited
Mark A. Weinberg	41 Bishopsgate, London, EC2P 2AA, England	Director, Hambros Limited; Managing Director, Hambro Life Assurance Co. Ltd.
John W. R. Woodroffe	41 Bishopsgate, London, EC2P 2AA, England	Director, Hambros Limited